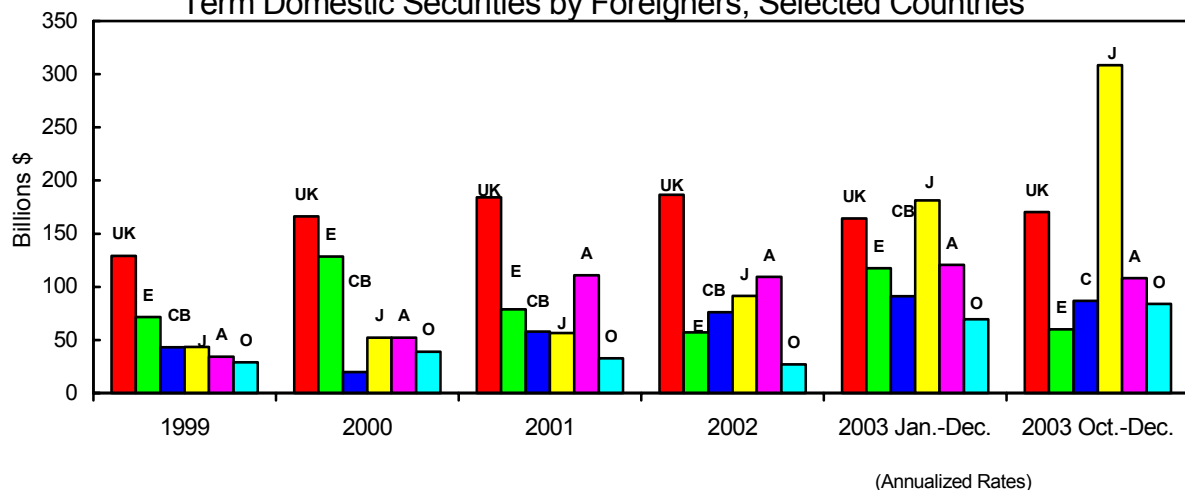


Chart CM-C -- Net Purchases of Long-Term Domestic Securities by Foreigners, Selected Countries



■ United Kingdom (UK) ■ All other Europe (E)
■ Caribbean banking centers (CB) ■ Japan (J)
■ All other Asia (A) ■ All other countries (O)

[In millions of dollars. Source: Office of International Financial Analysis]

Country	2000	2001	2002	2003 Jan. - Dec.	2003 Oct. - Dec.
United Kingdom.....	166,290	183,986	186,691	164,355	42,557
All other Europe.....	128,577	78,921	57,064	117,575	15,018
Caribbean banking ctrs ¹ 12...	19,883	57,817	76,144	90,998	21,708
Japan.....	52,006	56,589	91,412	181,262	77,128
All other Asia.....	52,151	110,995	109,314	120,737	27,037
Subtotal.....	418,907	488,308	520,625	674,927	183,448
All other countries.....	38,921	32,541	26,940	69,556	20,947
Grand total.....	457,828	520,849	547,565	744,483	204,395

¹ Includes Bahamas, Bermuda, British West Indies, Cayman Islands, Netherlands Antilles, and Panama.

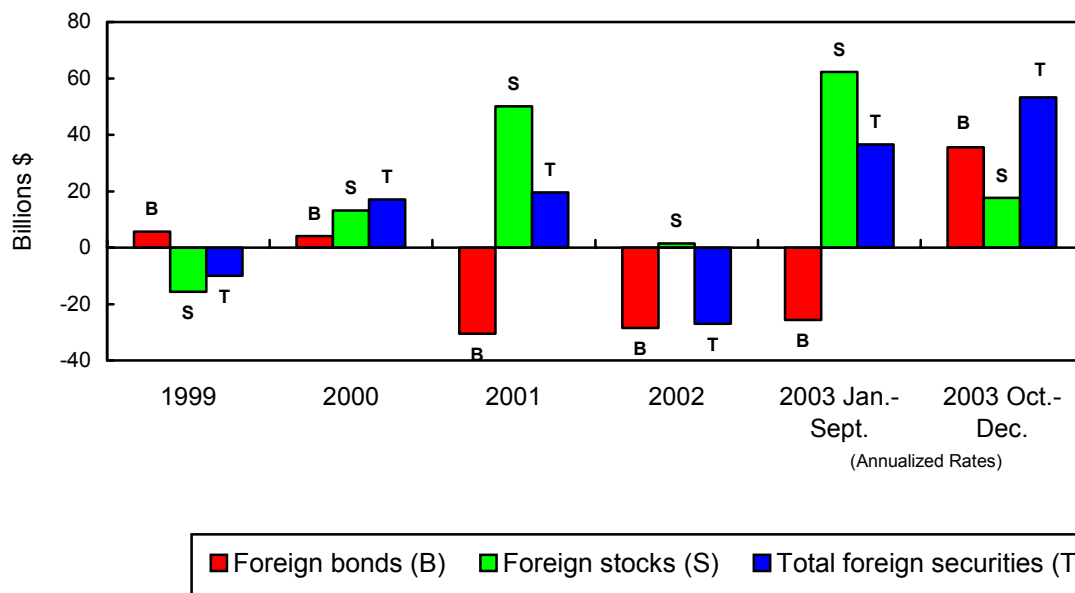
¹² Beginning January 2001, Cayman Islands replaced British West Indies in reporting format.

The data on this page represent foreign investors' purchases and sales of long-term U.S. securities (that is, U.S. Treasury and Government agency bonds and notes, and U.S. corporate bonds and stocks) as reported to the Treasury International Capital (TIC) reporting system. Foreign investors also acquired U.S. equities through mergers that involve stock swaps. Net foreign acquisitions of U.S. equities through stock swaps amounted to \$21 billion in 2000, \$7 billion in both 2001 and 2002, and zero in 2003. (Stock swaps data for the most recent quarter are Federal Reserve Board/Treasury estimates and are subject to substantial revisions.) These stock swaps are not reported under the TIC reporting system, but are now available on the TIC web site.

The data present aggregate net purchases for 2000 through 2003. The figures show that foreigners' annual net purchases (gross purchases minus gross sales) of U.S. securities have maintained an extremely high level since 2000.

Annual net foreign purchases of U.S. securities first surpassed \$100 billion in 1993. In 2002, net acquisitions (including stock swaps) of U.S. securities totaled a record \$554 billion. In 2003, net foreign acquisitions of U.S. securities accelerated to a record \$744 billion.

Chart CM-D -- Net Purchases of Long-Term Foreign Securities
by U.S. Investors*



[In millions of dollars. Source: Office of International Financial Analysis]

Type	1999	2000	2001	2002	2003 Jan.-Dec.	2003 Oct.-Dec.
Foreign Bonds.....	5,676	4,054	-30,502	-28,492	-25,655	8,894
Foreign Stocks.....	-15,640	13,088	50,113	1,493	62,274	4,420
Total.....	-9,964	17,142	19,611	-26,999	36,619	13,314

* Net purchases by U.S. investors equal net sales by foreigners, or gross sales minus gross purchases of securities.

The data on this page represent U.S. investors' purchases and sales of long-term foreign securities as reported to the Treasury International Capital (TIC) reporting system. However, in the past several years, U.S. investors also have acquired a substantial amount of foreign stocks, mostly European, through mergers that involve stock swaps. Net acquisitions through stock swaps amounted to \$80 billion in 2000, \$45 billion in 2001, only \$3 billion in 2002, and \$15 billion in 2003. (Stock swaps data for the most recent quarter are Federal Reserve Board/Treasury estimates and are subject to substantial revisions.) These stock swaps are not reported under the TIC reporting system, but are now available on the TIC web site.

Including the stock swaps, annual U.S. net purchases of long-term foreign securities averaged about \$100 billion from the mid-1990s through 2000, without much variation from year to year. U.S. investors' acquisitions of foreign securities (including stock swaps) fell to \$65 billion in 2001. In 2002, on net U.S. investors sold \$24 billion in foreign securities. In 2003, strong U.S. demand for foreign equities offset net sales of foreign bonds; on net (including stock swaps), U.S. investors acquired \$52 billion in foreign securities in the year.